

## Are you a millennial entrepreneur?



Learn how your peers are achieving business success.

**IF YOU'RE A MILLENNIAL** who is considering starting your own business, or if you've already taken the leap into entrepreneurship, you're in good company. A recent multi-country study<sup>1</sup> found that people under age 35 are becoming business owners earlier in life and running larger enterprises than those age 50 and older. Millennials start their first business when they are an average age of 27, while baby boomers started theirs at an average age of 35. Meanwhile, millennial entrepreneurs are managing an average of 122 employees, compared to just under 30 employees for Boomer entrepreneurs.

So there's clearly potential for you, as a millennial, to quickly build a going concern. As you lay the groundwork for your business venture, it can help to look at strategies that have worked for your contemporaries – who are also your competition. Staying on top of trends within your age group can help you implement best practices in your business and put the right structures in place to achieve your entrepreneurial goals.

### Strategy #1: Get advice early

Your peers consult with advisors about their business much earlier in their company's life cycle than entrepreneurs of previous generations. According to another recent study,<sup>2</sup> more than half of business owners between the ages of 18 and 34 said they started working with an advisor between six months before and six months after the launch of their company. Just 19 per cent of business owners aged 50 to 64 could say the same.

There are good reasons to get advice early. In the heady days leading up to a business launch, and the early days of operations, there are so many details to attend to that some are bound to fall through the cracks. A professional advisor has the expertise to point these out and the objectivity to help you prioritize. With advice, you can get your business off to a solid start.

<sup>1</sup> group.bnpparibas/en/news/bnp-paribas-global-entrepreneurs-report-2016.

<sup>2</sup> Manulife Small Business Research Report, 2016, [resourcepublic.manulife.com/wps/wcm/connect/da5b2bc5-be83-436e-8907-fd9b55ca2817/smb\\_researchreport2016.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-da5b2bc5-be83-436e-8907-fd9b55ca2817-lxKovhF](https://resourcepublic.manulife.com/wps/wcm/connect/da5b2bc5-be83-436e-8907-fd9b55ca2817/smb_researchreport2016.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-da5b2bc5-be83-436e-8907-fd9b55ca2817-lxKovhF)

## Strategy #2: Hire the best

Millennial entrepreneurs aged 18 to 34 scale up quickly, with 61 per cent attracting a staff of more than five within six months of start-up. Just 37 per cent of Boomers were at the same stage six months in.<sup>3</sup> The challenge business owners of every age face is how to find and keep enough talented people to deliver the products and/or services their company offers.

That's likely why more than one in three millennials have a human resources professional in place within six months of their company's launch. Millennial business owners have also embraced group health plans (58 per cent have implemented one) and group retirement plans (44 per cent have implemented one).<sup>4</sup> These plans create a positive feedback loop for staff, boosting financial wellness, which in turn positively affects mental, emotional and physical health, leading to better employee engagement and productivity.<sup>5</sup>

## Strategy #3: Partner to grow

More than a third of millennials start their business with a partner, and about half have teamed up with a partner within six months of the company's launch.<sup>6</sup> A partner can help you grow your business more quickly – there is strength in numbers – and having someone else around to shoulder some of the workload can help you maintain valuable work-life balance.

There is a catch, however. Partnership contracts and related insurance arrangements can be complex. If you're considering bringing a partner into your business, it's important to get professional advice – for example, to set up protections such as key person insurance, which can help keep your business running if something happens to you or your partner.

## Dream big

Millennials have tremendous opportunities to implement innovative ideas, disrupt traditional industries and build successful enterprises. Seeking advice early can help you incorporate best practices that provide a strong foundation for your company. Hiring the best makes it possible to realize your goals with a team that shares your vision. And partnering to grow can enable you to achieve more than you could on your own – as long as you have the appropriate legal and insurance protections.

If you're considering or in the early stages of entrepreneurship, speak with an advisor who can work with you to realize your big dreams. ■

<sup>3,4,6</sup> Manulife Small Business Research Report, 2016, [resourcepublic.manulife.com/wps/wcm/connect/da5b2bc5-be83-436e-8907-fd9b55ca2817/smb\\_s\\_researchreport2016.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-da5b2bc5-be83-436e-8907-fd9b55ca2817-lxKovhF](https://resourcepublic.manulife.com/wps/wcm/connect/da5b2bc5-be83-436e-8907-fd9b55ca2817/smb_s_researchreport2016.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-da5b2bc5-be83-436e-8907-fd9b55ca2817-lxKovhF)

<sup>5</sup> Manulife Financial Wellness Index 2016, [www.manulife.ca/content/dam/consumer-portal/documents/en/other/CS5156.pdf](http://www.manulife.ca/content/dam/consumer-portal/documents/en/other/CS5156.pdf)



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